



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE REFER TO FILE: **PJ-2**

July 17, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**MARTIN LUTHER KING, JR./DREW MEDICAL CENTER
WOMEN'S HEALTH CENTER OF EXCELLENCE
FIND APPARENT LOW BIDDER NONRESPONSIVE
AWARD CONSTRUCTION CONTRACT
APPROVE REVISED BUDGET
SPECS. 6580; C.P. 86522
SUPERVISORIAL DISTRICT 2
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND
THE DIRECTOR OF HEALTH SERVICES THAT YOUR BOARD:**

1. Find the bid of Tower Engineers, the apparent low bidder for the Martin Luther King, Jr./Drew Medical Center Women's Health Center of Excellence Project, to be nonresponsive because the bid failed to include a classification of work to be executed by the subcontractors in its bid package as required at the time of bid.
2. Award and authorize the Director of Public Works to execute a construction contract, in the form previously approved by County Counsel, to the lowest responsive and responsible bidder, AWI Builders, Inc., for the Martin Luther King, Jr./Drew Medical Center Women's Health Center of Excellence Project in the amount of \$581,911 funded by net County cost that will be fully offset by surplus bond proceeds from the Trauma Center financing issue and by \$96,000 allocated from the Second

Supervisory District Extraordinary Maintenance Discretionary Funds transferred to the Capital Project/Refurbishment Budget, and establish the effective contract date following receipt of approved Faithful Performance and Labor and Materials Bonds and insurance certificates filed by the contractor.

3. Approve a revised project budget of \$1,333,562 based on the favorable construction bids.

PURPOSE/JUSTIFICATION FOR RECOMMENDED ACTION

Approving the recommended actions will allow Public Works to proceed with construction of the Women's Health Center of Excellence at the Martin Luther King, Jr./Drew Medical Center.

On April 8, 2003, your Board adopted the plans and specifications for the project at an estimated construction cost between \$507,200 and \$697,400 and authorized Public Works to advertise for construction bids. On May 6, 2003, eight bids were received. Tower Engineers, with a bid of \$568,000, was the apparent low bidder. However, its bid was nonresponsive because Tower failed to include a classification of work to be executed by the subcontractors in its bid package as required at the time of bid. The lowest responsive and responsible bid of \$581,911 was submitted by AWI Builders, Inc., and is within Public Works' range of estimated construction cost. The bid results are summarized in Enclosure B.

Implementation of Strategic Plan Goals

These actions are consistent with the County's Strategic Plan Goal of Service Excellence by improving access to comprehensive health care services for women, the Goal of Fiscal Responsibility by investing in public health infrastructure, and the Goal of Children and Families' Well-Being by coordinating and integrating services for children and families across functional boundaries. Construction of this facility will provide a state-of-the-art health facility for the residents of the County of Los Angeles.

Implementation of Health Services Redesign

This project meets Health Services' Strategic Goal of Enhancing the Health of the Residents of Los Angeles County in an operational and efficient manner by consolidating a wide range of women's services at one location to improve patient access to care and quality of health care services. These services will be provided with no additional programmatic cost to Health Services and will not alter the facility commitment of reducing costs as part of Health Services' System Redesign.

FISCAL IMPACT/FINANCING

The recommended construction contract with AWI is for \$581,911. In addition, \$58,191 (ten percent of the contract amount) has been allocated for change orders in the construction budget.

The total project cost, including construction, equipment, plans and specifications, consultant services, permits and fees, and County Services, is currently estimated at \$1,333,562, which represents a decrease of \$409,438 from the \$1,743,000 previously authorized by your Board on November 13, 2001. Approval of the recommended actions will realign the project budget with the current project cost estimate. Sufficient appropriation is available in the Fiscal Year 2003-04 Capital Projects Budget (C.P. 86522) to award the recommended construction contract. The Project Schedule and Budget Summary are shown in Enclosure A.

The current year appropriation also includes \$553,000 in appropriation for the acquisition of equipment to support the Women's Health Center operation. The \$553,000 represents the unexpended portion of \$904,000 in Second Supervisorial District Extraordinary Maintenance Discretionary Funds specified for this purpose. The Chief Administrative Office will return to your Board with an appropriation adjustment that transfers the \$553,000 to Health Services' Operating Budget or will include an adjustment as part of its supplemental changes to the proposed Fiscal Year 2003-04 Operating Budget following verification of the Women's Health Center equipment needs.

Operating Budget Impact

Sufficient funding is included in the Fiscal Year 2003-04 Health Services' Operating Budget to provide the services planned for the Women's Health Center. Services, supplies, and relocation costs will be absorbed in the current operating budget. The Southwest Cluster Budget includes funding of approximately \$3,400 for relocation costs

as well as \$3,640,000 for ongoing operating costs, which consist of \$3,145,000 for salaries and employee benefits and \$495,000 for services and supplies.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

During the bid period, Public Works issued four Notices to Bidders providing various revisions and clarifications to the contract documents.

A standard construction contract, in the form previously approved by County Counsel, will be used. The standard Board-directed clauses that provide for contract termination, renegotiation, and hiring qualified displaced County employees will be included.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, AWI is willing to consider Greater Avenues for Independence Program/General Relief Opportunity for Work participants for future employment.

The project specifications contain provisions requiring the contractor to report solicitations of improper consideration by County employees and allowing the County to terminate the contract if it is found that the contractor offered or gave improper consideration to County employees.

As required by your Board, language has been incorporated into the project specifications stating that the contractor shall notify its employees, and shall require each subcontractor to notify its employees, of the Safely Surrendered Baby law, and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

AWI is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program), Chapter 2.203 (Contractor Employee Jury Services Program).

ENVIRONMENTAL DOCUMENTATION

On April 8, 2003, your Board found this project Categorically Exempt under the California Environmental Quality Act.

CONTRACTING PROCESS

On April 8, 2003, your Board adopted the plans and specifications for the project at an estimated construction cost between \$507,200 and \$697,400 and authorized advertising for bids. On May 6, 2003, eight bids were received. Tower, with a bid of \$568,000, was the apparent low bidder. However, in accordance with Section 4104 of the Public Contract Code, its bid is considered nonresponsive because it failed to include the classification of work to be executed by each of the subcontractors listed in its bid package as required at the time of bid. Therefore, AWI, with a bid of \$581,911, was the apparent lowest responsive and responsible bidder meeting the criteria adopted by your Board. The bid results are summarized in Enclosure B.

As requested by your Board on February 3, 1998, this contract opportunity was listed on the "Doing Business with Us" website as shown in Enclosure C.

AWI's CBE participation data and three-year contracting history are on file with Public Works.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The basement and ground floor of the Trauma Center are currently operational. The work to complete the second floor will be performed in a manner that will minimize the disruption of services in the basement and on the ground floor. The project specifications require the contractor to coordinate its construction schedule with the facility's staff to minimize disruption of services.

The Honorable Board of Supervisors
July 17, 2003
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CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Projects), Health Services, and Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

THOMAS L. GARTHWAITE, M.D.
Director of Health Services

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cc: County Counsel
Department of Public Social Services (GAIN/GROW Program)
Office of Affirmative Action Compliance (Ozie Smith)

July 17, 2003

ENCLOSURE A

**MARTIN LUTHER KING, JR./DREW MEDICAL CENTER
WOMEN'S HEALTH CENTER OF EXCELLENCE
FIND APPARENT LOW BIDDER NONRESPONSIVE
AWARD CONSTRUCTION CONTRACT
APPROVE REVISED BUDGET
SPECS. 6580; C.P. 86522**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Construction Documents	10/15/02*
Jurisdictional Approvals	03/06/03*
Advertise for Bids	04/08/03*
Award Construction Contract	07/29/03
Construction Substantial Completion	01/05/04
Acceptance of Project	03/18/04

* Indicates completed activity

II. PROJECT BUDGET

Budget Category	Current Project Budget	Impact of this Action	Revised Project Budget
Construction			
Base Contract	\$ 914,540	\$ (332,629)	\$ 581,911
Change Order Allowance	<u>\$ 135,000</u>	<u>\$ (76,809)</u>	<u>\$ 58,191</u>
Subtotal	\$ 1,049,540	\$ (409,438)	\$ 640,102
Equipment	\$ 0	\$ 0	\$ 0
Plans and Specifications	\$ 218,460	\$ 0	\$ 218,460
Consultant Services	\$ 150,000	\$ 0	\$ 150,000
Permits and Fees	\$ 20,000	\$ 0	\$ 20,000
County Services	\$ 305,000	\$ 0	\$ 305,000
TOTAL	\$ 1,743,000	\$ (409,438)	\$ 1,333,562

July 17, 2003

ENCLOSURE B

**MARTIN LUTHER KING, JR./DREW MEDICAL CENTER
WOMEN'S HEALTH CENTER OF EXCELLENCE
FIND APPARENT LOW BIDDER NONRESPONSIVE
AWARD CONSTRUCTION CONTRACT
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BID SUMMARY

Bid Opening Date:

May 6, 2003

Bid Summary:

<u>Bidder</u>	<u>Lump Sum Bid</u>
1. Tower Engineers	\$ 568,000 (nonresponsive)
2. AWI Builders, Inc.	\$ 581,911
3. Jenn/Matt Inc.	\$ 642,277
4. Angeles Contractor	\$ 700,000
5. Trimax Construction Corp.	\$ 718,000
6. Capri Construction Inc.	\$ 815,850
7. Syram International, Inc.	\$ 922,000
8. A&P Construction	\$ 994,036

Financial Information:

Public Works' fair construction cost estimate for the base bid was between \$507,200 and \$697,400.

July 17, 2003

ENCLOSURE C

**MARTIN LUTHER KING, JR./DREW MEDICAL CENTER
WOMEN'S HEALTH CENTER OF EXCELLENCE
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BID SOLICITATION

Bid Number : Specs. 6580

Bid Title : Martin Luther King, Jr./Drew Medical Center Women's Health Center of Excellence

Bid Type : Construction

Department : Public Works

Commodity : BUILDING CONSTRUCTION SERVICE, NON- RESIDENTIAL (OFFICE BLDG., ETC.)

Open Date : 4/8/2003

Closing Date : 5/6/2003 10:45 AM

Bid Amount : N/A

Bid Download : Not Available

Bid Description : The project consists of renovating approximately 8,300 square feet of the 30,200 square feet on the second floor of the Trauma Center. Work includes changes to wall locations and accompanying modifications to air conditioning, plumbing, lighting, electrical, and telecommunication systems. A prebid conference and site visitation will be held on April 22, 2003, at 10:00 a.m., at the job site to answer questions concerning the project. Interested parties are requested to meet promptly at the front entrance of the Trauma and Diagnostic Center located at 12021 S. Wilmington Ave., Los Angeles, CA 90059. Attendance is strongly encouraged. The estimated construction cost is between \$507,200 to \$697,400.

Amendment Date : 4/10/2003 Notice to Bidders "A" - A prebid conference and site visitation will be held on April 22, 2003, at 10:00 a.m., at the job site to answer questions concerning the project. Interested parties are requested to meet promptly at the front entrance of the Trauma and Diagnostic Center located at 12021 South Wilmington Avenue, Los Angeles, CA 90059. Attendance is strongly encouraged.

Contact Name : Brian Soria

Contact Phone# : (626) 458-2588

Contact Email : bsoria@ladpw.org

Last Changed On : 4/10/2003 5:05:50 PM